

Appendices

APPENDIX A 2018 tax rates

(i) *Persons (other than companies and trusts)*

Taxable income	Rates of tax
Not exceeding R189 880	18% of taxable income
Exceeding R189 880 but not exceeding R296 540	R34 178 plus 26% of amount by which taxable income exceeds R188 000
Exceeding R296 540 but not exceeding R410 460	R61 910 plus 31% of amount by which taxable income exceeds R296 540
Exceeding R410 460 but not exceeding R555 600	R97 225 plus 36% of amount by which taxable income exceeds R410 460
Exceeding R555 600 but not exceeding R708 310	R149 475 plus 39% of amount by which taxable income exceeds R555 600
Exceeding R708 310 but not exceeding R1 500 000 ...	R209 032 plus 41% of amount by which taxable income exceeds R708 310
Exceeds R1 500 000.....	R533 625 plus 45% of amount by which taxable income exceeds R1 500 000

(ii) *Trusts (other than special trusts)*

Tax is levied at a flat rate of 45%.

(iii) *Small business corporations*

Year of assessment ending between 1 April 2017 and 31 March 2018.

Taxable income	Rate of tax
R0 – R75 750	0% of taxable income
R75 750 – R365 000	7% of the amount by which the taxable income exceeds R75 750.
R365 000 – R550 000	R20 248 + 21% of the amount by which the taxable income exceeds R365 000.
Exceeding R550 000.....	R59 098 + 28% of the amount by which the taxable income exceeds R550 000.

(iv) *Turnover tax*

Year of assessment ending between 1 April 2017 and 31 March 2018.

Taxable turnover	Rate of tax
R0 – R335 000	0% of taxable turnover
R335 000 – R500 000	1% of the amount by which the taxable turnover exceeds R335 000
R500 000 – R750 000	R1 650 + 2% of the amount by which the taxable turnover exceeds R500 000
R750 000 and above.....	R6 650 + 3% of the amount by which the taxable turnover exceeds R750 000

APPENDIX B
Annuity table (Table B)

Present value of R1 per annum capitalised at 12% over fixed periods.

Year	Amount	Year	Amount	Year	Amount	Year	Amount	Year	Amount
1	0,892 9	21	7,562 0	41	8,253 4	61	8,325 0	81	8,332 5
2	1,690 0	22	7,644 6	42	8,261 9	62	8,325 9	82	8,332 6
3	2,401 8	23	7,718 4	43	8,260 8	63	8,326 7	83	8,332 6
4	3,037 4	24	7,784 3	44	8,276 4	64	8,327 4	84	8,332 7
5	3,604 8	25	7,843 1	45	8,282 5	65	8,328 1	85	8,332 8
6	4,111 4	26	7,895 7	46	8,288 0	66	8,328 6	86	8,332 8
7	4,563 8	27	7,942 6	47	8,292 8	67	8,329 1	87	8,332 9
8	4,967 6	28	7,984 4	48	8,297 2	68	8,239 6	88	8,333 0
9	5,328 2	29	8,021 8	49	8,301 0	69	8,330 0	89	8,333 0
10	5,650 2	30	8,055 2	50	8,304 5	70	8,330 3	90	8,333 0
11	5,937 7	31	8,085 0	51	8,307 6	71	8,330 7	91	8,333 1
12	6,194 4	32	8,111 6	52	8,310 4	72	8,331 0	92	8,333 1
13	6,423 6	33	8,135 4	53	8,312 8	73	8,331 2	93	8,333 1
14	6,628 2	34	8,156 6	54	8,315 0	74	8,331 4	94	8,333 1
15	6,810 9	35	8,175 5	55	8,317 0	75	8,331 6	95	8,333 2
16	6,974 0	36	8,192 4	56	8,318 7	76	8,331 8	96	8,333 2
17	7,119 6	37	8,207 5	57	8,320 3	77	8,332 0	97	8,333 2
18	7,249 7	38	8,221 0	58	8,321 7	78	8,332 1	98	8,333 2
19	7,365 8	39	8,233 0	59	8,322 9	79	8,332 3	99	8,333 2
20	7,469 4	40	8,243 8	60	8,324 0	80	8,332 4	100	8,333 2

APPENDIX C

Write-off periods based on Interpretation Note No. 47

Item	Period of write-off (Number of years)
Adding machines	6
Air conditioners	
Window type	6
Mobile	5
Room unit	10
Air conditioning assets (excluding pipes, ducting and vents):	
Air handling units	20
Cooling towers	15
Condensing sets	15
Chillers:	
Absorption type	25
Centrifugal	20
Aircraft: Light passenger/commercial/helicopters	4
Arc welding equipment	6
Artefacts	25
Balers	6
Battery chargers	5
Bicycles	4
Boilers	4
Bulldozers	3
Bumping flaking	4
Carports	5
Cash registers	5
Cell phone antennae	6
Cell phone masts	10
Cellular telephones	2
Cheque writing machines	6
Cinema equipment	5
Cold drink dispensers	6
Communication systems	5
Compressors	4
Computers	
Mainframe	5
Personal	3
Computers software (main frames)	
Purchased	3
Self developed	1
Computers software (personal computers)	2
Concrete mixers (portable)	4
Concrete transit mixers	3
Containers (large metal type used for transport freight)	10
Crop sprayers	6
Curtains	5
Debarking equipment	4
Delivery vehicles	4
Demountable partitions	6
Dental and doctors' equipment	5
Dictaphones	3
Drilling equipment (water)	5
Drills	6

continued

Item	Period of write-off (Number of years)
Electric saws	6
Electrostatic copiers	6
Engraving equipment	5
Escalators	20
Excavators	4
Fax machines	3
Fertiliser spreaders	6
Firearms	6
Fire extinguishers (loose units)	5
Fire detection systems	3
Fishing vessels	12
Fitted carpets	6
Food bins	4
Food-conveying systems	4
Fork-lift trucks	4
Front-end loaders	4
Furniture and fittings	6
Gantry cranes	6
Garden irrigation equipment (movable)	5
Gas cutting equipment	6
Gas heaters and cookers	6
Gearboxes	4
Gear shapers	6
Generators (portable)	5
Generators (standby)	15
Graders	4
Grinding machines	6
Guillotines	6
Gymnasium equipment	
Cardiovascular equipment	2
Health testing equipment	5
Weights and strength equipment	4
Spinning equipment	1
Other	10
Hairdressers' equipment	5
Harvesters	6
Heat dryers	6
Heating equipment	6
Hot water systems	5
Incubators	6
Ironing and pressing equipment	6
Kitchen equipment	6
Knitting machines	6
Laboratory research equipment	5
Lathes	6
Laundromat equipment	5
Law reports: Sets (legal practitioners)	5
Lift installations (goods/passengers)	12
Medical theatre equipment	6
Milling machines	6
Mobile caravans	5
Mobile cranes	4
Mobile refrigeration units	4

continued

A Student's Approach to Income Tax/Business Activities

Item	Period of write-off (Number of years)
Motors	4
Motorcycles	4
Motorised chain saws	4
Motorised concrete mixers	3
Motor mowers	5
Musical instruments	5
Navigation systems	10
Neon signs and advertising boards	10
Office equipment – electronic	3
Office equipment – mechanical	5
Oxygen concentrators	3
Ovens and heating devices	6
Ovens for heating food	6
Packaging and related equipment	4
Paintings (valuable)	25
Pallets	4
Passenger cars	5
Patterns, tooling and dies	3
Pellet mills	4
Perforating equipment	6
Photocopying equipment	5
Photographic equipment	6
Planers	6
Pleasure craft etc.	12
Ploughs	6
Portable safes	25
Power tools (hand-operated)	5
Power supply	5
Public address systems	5
Pumps	4
Race horses	4
Radar systems	5
Radio communication equipment	5
Refrigerated milk tankers	4
Refrigeration equipment	6
Refrigerators	6
Runway lights	5
Sanders	6
Scales	5
Security systems (removable)	5
Seed separators	6
Sewing machines	6
Shakers	4
Shop fittings	6
Solar energy units	5
Special patterns and tooling	2
Spin dryers	6
Spot welding equipment	6
Staff training equipment	5
Surge bins	4
Surveyors	
Instruments	10
Field equipment	5

continued

Item	Period of write-off (Number of years)
Tape-recorders	5
Telephone equipment	5
Television and advertising films	4
Television sets, video machines and decoders	6
Textbooks	3
Tractors	4
Trailers	5
Traxcavators	4
Trolleys	3
Trucks (heavy duty)	3
Trucks (other)	4
Truck mounted cranes	4
Typewriters	6
Vending machines (including video game machines)	6
Video cassettes	2
Warehouse racking	10
Washing-machines	5
Water distillation and purification plant	12
Water tankers	4
Water tanks	6
Weighbridges (movable parts)	10
Wire line rods	1
Workshop equipment	5
X-ray equipment	5

APPENDIX D

Table of interest rates contained in the Income Tax Act, 1962

Fringe benefit low interest loans – *paragraph (a) of the definition of “official rate of interest” in paragraph 1 of the Seventh Schedule to the Act.*

Date from	Date to	Rate
01.03.2009	31.05.2009	11.50%
01.06.2009	30.06.2009	9.50%
01.07.2009	31.08.2009	8.50%
01.09.2009	30.09.2010	8.00%
01.10.2010	28.02.2011	7.00%
01.03.2011	31.07.2012	6.50%
01.08.2012	31.01.2014	6.00%
01.02.2014	31.07.2014	6.50%
01.08.2014	30.07.2015	6.75%
01.08.2015	30.11.2016	7.00%
01.12.2015	31.01.2016	7.25%
01.02.2016	31.03.2016	7.75%
01.04.2016	31.07.2017	8.00%
01.08.2017	Until change in Repo rate	7.75%

Interest payable by taxpayers on an amount of tax which is not paid on the date prescribed for payment – *section 89(2) of the Act.*

Date from	Date to	Rate
01.05.2009	30.06.2009	13.50%
01.07.2009	31.07.2009	12.50%
01.08.2009	31.08.2009	11.50%
01.09.2009	30.06.2010	10.50%
01.07.2010	28.02.2011	9.50%
01.03.2011	30.04.2014	8.50%
01.05.2014	31.10.2014	9.00%
01.11.2014	31.10.2015	9.25%
01.11.2015	29.02.2016	9.5%
01.03.2016	30.04.2016	9.75%
01.05.2016	30.06.2016	10.25%
01.07.2016	31.10.2017	10.50%
01.11.2017	Until change in PFMA* rate	10.25%

* Public Finance Management Act, No. 1 of 1999

Interest payable to taxpayers on credit amounts under section 89quat(4) of the Act.

Date from	Date to	Rate
01.05.2009	30.06.2009	9.50%
01.07.2009	31.07.2009	8.50%
01.08.2009	31.08.2009	7.50%
01.09.2009	30.06.2010	6.50%
01.07.2010	28.02.2011	5.50%
01.03.2011	30.04.2014	4.50%
01.05.2014	31.10.2014	5.00%
01.11.2014	31.10.2015	5.25%
01.11.2015	29.02.2016	5.50%
01.03.2016	30.04.2016	5.75%
01.05.2016	30.06.2016	6.25%
01.07.2016	31.10.2017	6.50%
01.11.2017	Until change in PFMA* rate	6.25%

* Public Finance Management Act, No. 1 of 1999

APPENDIX E

Income tax monetary thresholds subject to periodic legislative change

Description	Reference to Income Tax Act, 1962	Monetary amount
General savings thresholds		
Broad-based employee share schemes: Employees can receive tax-exempt shares if the shares are part of a broad-based employee share plan. Companies can also deduct shares issued under the plan		
Maximum exemption for shares received by employees	The definition of "qualifying equity share" in section 8B(3)	R50 000
Maximum deduction for shares issued by the employer	The proviso to section 11(lA)	R10 000
Exemption for interest and certain dividends:		
Exemption for foreign dividends from a source outside the Republic which are not otherwise exempt – Where the person is a natural person, deceased estate, insolvent estate or special trust – Where the person is a person other than a natural person, deceased estate, insolvent estate or special trust	Section 10B(3)(a)	25/45 8/28
Exemption for certain interest:		
In respect of persons 65 years or older, exemption for interest from a source within the Republic which are not otherwise exempt	Section 10(1)(i)	R34 500
In respect of persons 65 years, exemption for interest from a source within the Republic which are not otherwise exempt	Section 10(1)(i)	R23 800
Annual donations tax exemption:		
Exemption for donations made by entities	Section 56(2)(a) and the proviso thereto	R10 000
Exemption for donations made by individuals	Section 56(2)(b)	R100 000
Capital gains exclusions:		
Annual exclusion for individuals and special trusts	Paragraph 5(1) of Eighth Schedule	R40 000
Exclusion on death	Paragraph 5(2) of Eighth Schedule	R300 000
Exclusion for the disposal of a primary residence	Paragraph 45(1)(a) of Eighth Schedule	R2 million
Exclusion in respect of disposal of primary residence (based on amount of proceeds on disposal)	Paragraph 45(1)(b) of Eighth Schedule	R2 million

continued

Description	Reference to Income Tax Act, 1962	Monetary amount
Maximum market value of all assets allowed within the small business definition on disposal when person over 55	Definition of "small business" in paragraph 57(1) of Eighth Schedule	R10 million
Exclusion amount on disposal of small business when person over 55	Paragraph 57(3) of Eighth Schedule	R1.8 million
Retirement savings thresholds		
Deductible retirement fund contributions: Retirement fund members may deduct their contributions subject to certain percentage or monetary ceilings		
Retirement fund monetary ceiling for contributions	Section 11F	R350 000
Permissible lump sum withdrawals upon retirement: Pension fund and retirement annuity fund members may withdraw lump sums upon retirement.		
Pension fund monetary amount for permissible lump sum withdrawals	Paragraph (ii)(dd) of the proviso to paragraph (c) of the definition of "pension fund" in section 1.	R165 000
Retirement annuity fund monetary amount for permissible lump sum withdrawals	Paragraph (b)(ii) of the proviso to the definition of "retirement annuity fund" in section 1	R165 000
Medical tax credit amounts		
In respect of benefits to the taxpayer	Section 6A	R303
In respect of benefits to the taxpayer and one dependant	Section 6A	R606
In respect of benefits to each additional dependant	Section 6A	R204
Deductible business expenses for individuals		
Car allowance: Individuals receive an annual vehicle allowance to defray business travel expenses, including deemed depreciation on the vehicle.		
Ceiling on vehicle cost	Section 8(1)(b)(iiiA)(bb)(A)	R595 000
Ceiling on debt relating to vehicle cost	Section 8(1)(b)(iiiA)(bb)(B)	R595 000
Employment-related fringe benefits		
Exempt scholarships and bursaries: Employers can provide exempt scholarships and bursaries to employees and their relatives, subject to annual monetary ceilings.		
Annual ceiling for employees	Paragraph (ii)(aa) of the proviso to section 10(1)(q)	R600 000

continued

Description	Reference to Income Tax Act, 1962	Monetary amount
Annual ceiling for relatives of employee	Paragraph (ii)(bb) of the proviso to section 10(1)(q): NQF level 1 – 4; from level 5	R20 000 R60 000
Awards for bravery and long service:	Paragraphs (a) and (b) of the further proviso to paragraph 5(2) of Seventh Schedule	R5 000
Employee accommodation:	Paragraph 9(3)(a)(ii) of Seventh Schedule	R75 750
Exemption for expatriate employees:	Paragraph 9(7B)(ii) of Seventh Schedule	R25 000
Exemption for <i>de minimus</i> employee loans:	Paragraph 11(4)(a) of Seventh Schedule	R3 000
Employer deductions for learnerships:		
<i>From 1 October 2016:</i>		
NQF level 1 – 6 annual allowance	Section 12H	R40 000 (R60 000 if disabled person)
NQG level 1 – 6 completion allowance	Section 12H	R40 000 (R60 000 if disabled person)
NQF level 7 – 10 annual allowance	Section 12H	R20 000 (R50 000 if disabled person)
NQG level 7 – 10 completion allowance	Section 12H	R20 000 (R50 000 if disabled person)
Depreciation		
Small-scale intellectual property:	Paragraph (aa) of the proviso to section 11(gC)	R5 000
Low cost housing:		
Maximum cost of residential unit where that residential unit is a building	Paragraph (a) of definition of "low-cost residential unit" in section 1	R350 000

continued

Description	Reference to Income Tax Act, 1962	Monetary amount
Maximum cost of residential unit where that residential unit is a building	Paragraph (b) of definition of "low-cost residential unit" in section 1	R300 000
Turnover tax:		
A person qualifies as a micro business for a year of assessment where the qualifying turnover of that person for that year does not exceed the amount indicated	Paragraph 2(1) of Sixth Schedule	R1 million
Maximum of total receipts from disposal of immovable property and assets of a capital nature by micro businesses	Paragraph 3(e) of Sixth Schedule	R1,5 million
Minimum value of individual assets and liabilities in respect of which a micro business is required to maintain records.	Paragraph 14(c) and (d) of Sixth Schedule	R10 000
Miscellaneous		
Public benefit organisations:		
PBO trading exemption	Section 10(1)(cN)(ii)(dd)(ii)	R200 000
Deductions of donations to trans-frontier parks	Section 18A(1C)(a)(ii)	R1 million
Housing provided by a PBO: maximum monthly income of beneficiary household	Paragraph 3(a) of Part I of Ninth Schedule and paragraph 5(a) of Part II of Ninth Schedule	R15 000
Recreational clubs: Club trading income exemption	Section 10(1)(cO)(iv)(bb)	R120 000
Prepaid expenses: Maximum amount of deferral	Paragraph (bb) of the proviso to section 23H(1)	R100 000
Small business corporations: Maximum gross income	Section 12E(4)(a)(i)	R20 million
Housing associations: Investment income exemption	Section 10(1)(e)	R50 000

APPENDIX F

Part II of the Ninth Schedule contained in the Income Tax Act, 1962

**PART II
Welfare and Humanitarian**

1. (a) The care or counselling of, or the provision of education programmes relating to, abandoned, abused, neglected, orphaned or homeless children.
- (b) The care or counselling of poor and needy persons where more than 90 per cent of those persons to whom the care or counselling are provided are over the age of 60.
- (c) The care or counselling of, or the provision of education programmes relating to, physically or mentally abused and traumatised persons.
- (d) The provision of disaster relief.
- (e) The rescue or care of persons in distress.
- (f) The provision of poverty relief.
- (g) Rehabilitative care or counselling or education of prisoners, former prisoners and convicted offenders and persons awaiting trial.
- (h) The rehabilitation, care or counselling of persons addicted to a dependence-forming substance or the provision of preventative and education programmes regarding addiction to dependence-forming substances.
- (i) Conflict resolution, the promotion of reconciliation, mutual respect and tolerance between the various peoples of South Africa.
- (j) The promotion or advocacy of human rights and democracy.
- (k) The protection of the safety of the general public.
- (l) The promotion or protection of family stability.
- (m) The provision of legal services for poor and needy persons.
- (n) The provision of facilities for the protection and care of children under school-going age of poor and needy parents.
- (o) The promotion or protection of the rights and interests of, and the care of, asylum seekers and refugees.
- (p) Community development for poor and needy persons and anti-poverty initiatives, including—
 - (i) the promotion of community-based projects relating to self-help, empowerment, capacity building, skills development or anti-poverty;
 - (ii) the provision of training, support or assistance to community-based projects contemplated in item (i); or

- (iii) the provision of training, support or assistance to emerging micro enterprises to improve capacity to start and manage businesses, which may include the granting of loans on such conditions as may be prescribed by the Minister by way of regulation.
- (q) The promotion of access to media and a free press.

Health Care

- 2. (a) The provision of health care services to poor and needy persons.
- (b) The care or counselling of terminally ill persons or persons with a severe physical or mental disability, and the counselling of their families in this regard.
- (c) The prevention of HIV infection, the provision of preventative and education programmes relating to HIV/AIDS.
- (d) The care, counselling or treatment of persons afflicted with HIV/AIDS, including the care or counselling of their families and dependants in this regard.
- (e) The provision of blood transfusion, organ donor or similar services.
- (f) The provision of primary health care education, sex education or family planning.

Education and Development

- 3. (a) The provision of education by a "school" as defined in the South African Schools Act, 1996.
- (b) The provision of "higher education" by a "higher education institution" as defined in terms of the Higher Education Act, 1997.
- (c) "Adult basic education and training", as defined in the Adult Basic Education and Training Act, 2000, including literacy and numeracy education.
- (d) "Further education and training" provided by a "public college" or private college" as defined in the Further Education and Training Colleges Act, 2006, which is registered in terms of that Act.
- (e) Training for unemployed persons with the purpose of enabling them to obtain employment.
- (f) The training or education of persons with a severe physical or mental disability.
- (g) The provision of bridging courses to enable educationally disadvantaged persons to enter a higher education institution as envisaged in subparagraph (b).
- (h) The provision of educare or early childhood development services for pre-school children.

- (i) The provision of school buildings or equipment for public schools and educational institutions engaged in public-benefit activities contemplated in subparagraphs (a) to (h).
- (j) Programmes addressing needs in education provision, learning, teaching, training, curriculum support, governance, whole school development, safety and security at schools, pre-schools or educational institutions as envisaged in subparagraphs (a) to (h).
- (k) Educational enrichment, academic support, supplementary tuition or outreach programmes for the poor and needy.
- (l) Training of persons employed in the national, provincial and local spheres of government, for purposes of capacity building in those spheres of government.
- (m) Career guidance and counselling services provided to persons attending any school or higher education institution as envisaged in subparagraphs (a) and (b).
- (n) The provision of hostel accommodation to students of a public-benefit organisation contemplated in section 30 or an institution, board or body contemplated in section 10(1)(cA)(i), carrying on activities envisaged in subparagraphs (a) to (g).
- (o) The provision of scholarships, bursaries, awards and loans for study, research and teaching on such conditions as may be prescribed by the Minister by way of regulation in the *Government Gazette*.
- (p) The provision or promotion of education programmes with respect to financial services and products, carried out under the auspices of a public entity licensed under the PFMA.

Conservation, Environment and Animal Welfare

- 4. (a) Engaging in the conservation, rehabilitation or protection of natural environment, including flora, fauna or the biosphere.
- (b) The care for animals, including the rehabilitation or prevention of ill-treatment of animals.
- (c) The promotion of, and education and training programmes relating to, environmental awareness, greening, clean-up or sustainable development programmes.
- (d) The establishment and management of a trans-frontier area, involving two or more countries, which—
 - is or will fall under a unified or co-ordinated system of management without compromising national sovereignty; and
 - has been established with the explicit purpose of supporting the conservation of biological diversity, job creation, free movement of animals and tourists across the international boundaries within the peace park, and the building of peace and understanding between the nations concerned.

Land and Housing

5. (a) The development, construction, upgrading, conversion or procurement of housing units for the benefit of persons whose monthly household income is equal or less than R3 500 or any greater amount determined by the Minister of finance by notice in the *Gazette* after consultation with the Minister of Housing.
- (b) The development, servicing, upgrading or procurement of stands, or the provision of building materials, for purposes of the activities contemplated in subparagraph (a).
- (c) Building and equipping of clinics or crèches for the benefit of the poor and needy.
- (d) The protection, enforcement or improvement of the rights of poor and needy tenants, labour tenants or occupiers, to use or occupy land or housing.
- (e) The promotion, facilitation and support of access to land and use of land, housing and infrastructural development for promoting official land reform programmes.